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AGRICULTURAL COOPERATION

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AGRICULTURAL COOPERATION IN ITALY

A few figures will illustrate the recent development of co-operation in Italy, and the place occupied by the agricultural societies in the general movement. According to the "Annuario Statistico Italiano," the legally constituted cooperative societies, exclusive of credit, numbered 7,429 on June 30, 1914; among these the agricultural societies and vine-growers' societies numbered 1,242. At the end of 1917 the number of cooperative societies was 8,764, of which the agricultural and vine-growers' societies numbered 1,386. But after 1917 the numerical increase was especially great. From the statistics since published by the Ministry of Labor and Social Insurance, it appears that on March 31, 1921, the cooperative societies numbered 19,510. The most numerous class was that of the cooperative industrial labor societies, which headed the list with 7,643; the consumers' societies followed with 6,481; the third place was occupied by the agricultural cooperatives numbering 2,239; then came the credit societies with 1,534, followed closely by 1,480 mixed and miscellaneous societies; insurance societies, numbering 133, were at the bottom of the list.

As regards their geographic distribution, the cooperative societies were most numerous in the north of Italy. The province of Emilia was first, followed by Lombardy, Venetia, Tuscany; then Piedmont, Latium and Sicily. Emilia had the largest number of agricultural cooperatives and cooperative labor societies. Sicily was first in credit societies, and Lombardy in consumers societies.

One of the most striking features of Italian cooperation in agriculture is the movement whereby the status of the tenant peasantry is being raised to that of independent farming. This movement has achieved a notable development in the form of cooperative land-holding societies, generally known as "affittanze collettive." They are associations of farm laborers, formed to secure the use of land for agricultural purposes, whether by lease, purchase, or crop-sharing agreements, depending on local conditions and tenure customs.

In a cooperative land-holding society with joint management, the farm is managed as a single large-scale undertaking. The society has at its disposal the land and the working capital; it engages a permanent force of men, also casual laborers for wages or crop-sharing, but whether permanent or casual the men are selected from among the members. Thus the members employ themselves, and they share in the net profits of their common enterprise. Some societies hold back 10 to 25 per cent of the wages as surety for the obligations assumed by them toward third

parties, or in order to meet initial expenses, the wages held back being treated as a loan for an indefinite period made by the member to the society. In other societies a special reduced rate of wages is adopted, and in still others each member is required to do a certain number of days' work on the society's farm, without payment, or by way of a loan or in return for new shares in the society.

A second form of a cooperative land-holding society is one with separate management. In this case, the rented land is divided into small holdings, each of which is provided with a dwelling house, out-houses, etc. The holding is generally taken under a crop-sharing agreement, but sometimes it is rented. The individual tenant is responsible to the society, which stands between him and the landowner in all matters pertaining to rent and agreements. The society undertakes the collective purchase of agricultural requisites, the marketing of produce, it manages cooperatively agricultural industries, such as wine-making, cheese, butter, etc., and arranges for the purchase and joint use of costly machinery.

It has been noted that the cooperative land-holding societies on the allotment system have arisen most often through the renting, either by direct agreement or by government decree, of parts or entire large holdings (latifondi). Many farm laborers' associations belonging to this group were formed in 1919 in Apulia, Calabria, Latium and Sicily, to take advantage of the decrees issued by the government in 1918 and 1919 on agricultural mobilization, which aimed to break the hold of landlords on uncultivated or badly cultivated lands. In accordance with these decrees many large farms have been requisitioned and assigned to agricultural societies, the owners receiving the rent through the offices of the government.

The difficulties which the cooperative land-holding societies encounter in obtaining land are by no means inconsiderable. In the past they have been renting for the most part from private owners. But in recent years, leasing agreements between cooperative societies and public institutions possessing land have been frequent. Public land leasing to cooperative societies is regulated by the decrees of September 20, 1917, and of August 4, 1918. A number of bills have also been proposed dealing with the transformation of the large estates into small holdings, to be assigned directly to individuals or to cooperative societies.

A problem of pressing importance for the land-holding societies is that of technical service and management, involving heavy expenses beyond the means of the locals. Hence the recent rise of provincial federations at Reggio Emilia, Bologna, Milan, Modena and Trapani, aiming to provide jointly technical and administrative services. A number of provincial federations of productive and consumers' societies have formed special service sections for the cooperative land-holding societies, notably those at Ravenna, Parme, Ferrara, Cremona, Pavia, Mantua, Venice, Bari and Catanazaro. The federations assist the cooperative societies in loan negotiations, in purchases of agricultural requisites and in other business transactions.

But the average agricultural supply and marketing federation of Italy is limited to a district not exceeding, as a rule, the limits of a province. In order to secure more effective action over a larger field, local and provincial societies and unions have federated themselves into a national federation, the "Federazione Italiana dei Consorzi Agrari." The federation was launched on April 10, 1892, as a cooperative union with limited liability, and is to-day the oldest and most important national cooperative federation in Italy. Its declared purposes are to promote the economic and social interests of agricultural cooperation generally, as well as the establishment of new agricultural supply and marketing associations; to produce, to buy and sell farm and farm house requisites; to carry on the production and sale of foodstuffs, including land improvement and farming; to acquire means of transportation; to promote the establishment of experiment stations and farms; to perform middleman functions for its members and other parties; and to collect and distribute economic and market information of benefit to the members.

The national federation carries on cooperative and economic propaganda in order to spread a knowledge of the principles and progress of cooperation. The division to which this propaganda is entrusted gives out statistical facts relating to Italian cooperation and the work of the federated societies. It deals with questions of agricultural economy of general interest, and it also supervises the publication of a weekly and a monthly magazine. Practical courses are frequently held under its direction in rural districts with a view to popularizing a knowledge of agricultural machinery, improved methods of cultivation, etc. The federation gives attention to the production of select seeds. In 1919-20, fourteen large farms of 330 hectares in all, cultivated seed wheat for the federation; in 1920-21, there were nineteen such farms covering 1,100 hectares. A large part of the trade in certain goods, such as fertilizers, spraying materials, seeds and feedstuffs, is in the hands of the federation, which because of this fact has been in a position to exercise a steadying influence on prices. The following table shows the development of the national federation from 1892 to 1921;

Year	: Number of	: Number	: Share Capital	: Value of Goods
	: Affiliated:	: of	: and Reserve	: Sold (Liras)
	: Assns.	: Shares	: (Liras)	:
1892	: 56	: 158	: 4,200	: 700,000
1902	: 300	: 2,058	: 96,692	: 4,000,000
1912	: 693	: 5,999	: 246,506	: 18,500,000
1920	: 909	: 23,499	: 1,879,383	: 258,500,000
1921	: 939	: 25,370	: 2,138,242	: 350,000,000

The following figures give an idea of the condition of local societies. They relate to 539 affiliated cooperative associations of special importance on account of their commercial activity. In 1920, their combined membership was 312,590 farmers, their share capital and reserves amounted to 50,337,576 liras, and the value of fertilizers, machines and other goods distributed was 808,538,939 liras.

Recognizing the importance of cooperation in agriculture, the government of Italy, by the decree of April 22, 1920, created an Agricultural Credit Section in the national Cooperative Credit Institute, to which the agricultural societies may apply for loans for their working capital, land improvements, and land purchase. The Section acts as a bank for the associations. But as the agricultural societies have become consolidated, it has been suggested of late that the organized members should themselves help in providing directly the credit required for their societies. Some cooperatives have already established a system of deposits, and the results have been moderately satisfactory. However, it must be recognized that the efforts made by the associated farmers can not provide the capital required by the growing number of associations seeking capital for collective leases and for the acquisition of land. It is expected that with the credit facilities accorded to them in an organized form by the government, the agricultural cooperatives and their federations would become an important factor in Italy's agriculture. The movement has passed through the experimental stage and is making good in many parts of Italy.

Eugene M. Kayden.

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NEW JERSEY COOPERATIVES UNITE TO PURCHASE SUPPLIES

Eight farmers' cooperative organizations of New Jersey have agreed to the formation of a State purchasing association to be known as the New Jersey Farmers' Cooperative Purchasing Association, according to information recently received. The new organization is made up of the following member associations: Farmers' Cooperative Association of Mercer County, Trenton; Beverly Cooperative Growers' Association, Beverly; Belle Mead Farmers' Cooperative Association, Belle Mead; Bergen-Passaic Farmers' Cooperative Association, Paterson; Hunterdon County Farmers' Cooperative Association, Flemington; Burlington Fruit Growers' Cooperative Association, Burlington; Vineland Cooperative Association, Vineland; Hamilton Community Cooperative Association, Hamilton. Several other organizations have signified their intention of joining the movement. Steps have been taken to incorporate the new company under the laws of New Jersey.

Nearly \$600,000 worth of farm supplies were purchased cooperatively in 1922 by the eight associations which are federated in the new organization and it is estimated that the individual members of these associations purchase about \$2,500,000 worth of such supplies each year. Plans include the handling of fertilizer, feed, seeds, binder twine, and possibly farm machinery. Each member cooperative is required, during every fiscal year in which it buys any commodity through the Cooperative Purchasing Association, to buy through the association its entire supply of that commodity for such fiscal year.

MARKETING CONTRACT UPHELD BY SUPREME COURT OF NORTH CAROLINA

In the case of the Tobacco Growers' Cooperative Association v. W. T. Jones, decided by the Supreme Court of North Carolina on April 12, 1923, the association brought suit against one of its grower members to enjoin him from selling and delivering tobacco grown by him to parties other than the association and to recover liquidated damages for the tobacco sold by him to third persons prior to the commencement of the suit. The Supreme Court of North Carolina affirmed the judgment of the lower court in an elaborate opinion in which the circumstances surrounding the formation of the association were recited and in which the method of operation of the association was quite fully discussed. The right of the association to an injunction and its right to recover liquidated damages were upheld.

The defendant contended that the Cooperative Marketing Act under which the association was formed was unconstitutional and that the contract entered into by the defendant was invalid on the ground that it was in restraint of interstate and intrastate commerce. After discussing the general features of the Cooperative Marketing Act the court quoted Section 26 of the Act which reads as follows:

"No association organized hereunder shall be deemed to be a combination in restraint of trade or an illegal monopoly or an attempt to lessen competition or fix prices arbitrarily, nor shall the marketing contracts or agreements between the association and its members or any agreements authorized in this act be considered illegal or in restraint of trade."

The court said at this point:

"The constitutionality and validity of this statute are determinative of this controversy and in effect cover the entire subject of this litigation."

After emphasizing the importance of agriculture the court said, in part:

"An examination of the statute shows, we think, that this association is organized for the purpose, not of creating a monopoly, but to protect the tobacco producers against oppression of those who buy and not to authorize, and does not empower, those who produce the raw material to create a monopoly in themselves.

"Indeed it seems to us plain that the plaintiff under the provisions of its charter is not and never can become a monopoly for many reasons: (1) As a corporation of North Carolina the moment it should become dangerous to the public, if that were possible under the terms of its charter, the General Assembly can at any time repeal its charter; Constitution, Article VIII, Section I; and the courts will intervene to prevent it becoming

a monopoly. (2) The plaintiff has neither capital stock nor surplus; nor credit except as given it by the statute and this latter may be withdrawn at any time. It is wholly dependent upon its ability to borrow in large sums which is necessarily under the control of the Federal Reserve Banking system and the moment it shall deny credit to the plaintiff its sufficiency would be destroyed. It can borrow from the Federal Reserve System, which is a function of the Government, only on such terms as that the Board deems consistent with the public welfare and that Board will not permit boarding or monopolizing by the plaintiff.....

"It would be subject to the visitorial powers of the Secretary of Agriculture under the anti-trust laws and finally it would be confronted with the huge increase in the acreage devoted to tobacco and by holding off from the market the normal production of any one year, the result would be the selling of two crops within a single year.....

"The plaintiff will continue to exist only if it provides for a normal orderly marketing of the tobacco crops and by putting on the markets of the world annually the production for that year. Its sole purpose is by an orderly marketing of the crop to make a large saving and to secure to the producers a fair and reasonable price therefor without increasing the price the consumer will pay for the manufactured article....."

It is apparent from the above quotations that the court entertained the view that the association was not a monopoly, at least in the legal sense of that term, and that the view was also held that in the event the association should ever become dangerous to the public that power existed with which to deal with it.

The defendant also objected to the fact that the association had employed money received by it in the establishment of warehouses and processing plants for use in the handling and marketing of the tobacco in which it dealt. In this connection the court pointed out that the amount of money which could be used by the association in this way was specifically limited and that a system was prescribed under which it would be returned to the persons who contributed it. On this subject, the court, among other things, said:

"The enemies of the cooperative system would be delighted if the courts were to hold that a cooperative association is not permitted to use its own money in establishing warehouses, prize houses, re-drying and processing plants and were forced to depend for these facilities upon such terms as the association could make with its competitors. The latter would be in the position of an army well-armed, meeting in battle another army with no arms at all."

Toward the close of the opinion, the following language is employed by the court:

"In fact the cooperative system is the most hopeful movement ever inaugurated to obtain justice for, and improve the financial condition of farmers and laborers. The producers are paying all the costs and assuming all the responsibilities of these cooperative associations. They are taking all the risks. They are asking no assistance from the public treasury. They are forcing no one to join and they are exacting no inordinate prices for their product. They are associating themselves as authorized by the statute, like other persons and they have signed mutual and fair agreements among themselves which would be futile unless those who have signed such agreements can be held to abide by the terms of such contracts."

L. S. Hulbert.

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FOUR-FIFTHS OF BURLEY TOBACCO CROP RECEIVED BY ASSOCIATION

Most of the receiving plants of the Burley Tobacco Growers' Cooperative Association, Lexington, Ky., were closed March 31, according to an announcement from the association's headquarters. More than 185,000,000 pounds of tobacco were received, or about four-fifths of the total crop, and over 135,000,000 pounds have been sold.

Many growers have joined the association recently and the membership now numbers 81,734 growers in Kentucky, Indiana, Ohio, West Virginia and Tennessee. A campaign is to be started soon by the field service division to organize the members into local or county associations. Suits have been filed against a number of members for breaking contracts. In some instances these cases have been settled out of court by the grower paying the association five cents a pound damages, as provided in the contract.

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OVER 8,000 CARS LIVE STOCK SOLD COOPERATIVELY AT INDIANAPOLIS

From May 14, 1922, when it began business, up to March 31, 1923, the Producers' Commission Association, at Indianapolis, Ind., handled a total of 8,140 cars of live stock. The total value of live stock sold by the association during that period was \$11,252,081.67. The monthly business increased from approximately \$280,000 for the last half of May to over \$1,500,000 in December, when 1,148 cars were handled. Shipments of live stock to the Indianapolis market declined to some extent during January, February and March, but the business of the association has been well over a million dollars during each of these months. In March the association handled 24.99% of all railroad receipts at the Indianapolis stockyards and 29.9% of driven-in stock. These are increases of 3.71% and 2.14%, respectively, over the percentages handled during 1922.

MEMBERSHIP IN GRAIN EXCHANGES OPEN TO COOPERATIVES.

The decision of the Supreme Court of the United States, rendered April 16, 1923, in the case of the Board of Trade of Chicago, et al., v. Olsen, et al., upholds the constitutionality of the Grain Futures Act. A part of the decision is of special interest to cooperative associations engaged in the marketing of grain, in that it upholds the provisions of the Grain Futures Act requiring boards of trade to admit to membership representatives of cooperative associations and permitting such associations to pay patronage dividends to their members. The grain cooperatives have contended for many years that they were entitled to membership in the grain exchanges.

With respect to these provisions, the Court said:

"The next provision of the act which is attacked as invalid is that which forbids a board, designated as a contract market, from excluding from membership in, and all privileges on, its exchanges any duly authorized representative of a lawfully formed and conducted association of producers having adequate financial responsibility, engaged in the cash grain business, and complying or agreeing to comply with the terms and conditions lawfully imposed on the other members, and which bars any rule forbidding the return by such association of the commissions of its representative, less expenses, to the bona fide members of the cooperative association in proportion to their consignments of grain to the exchange. It is said that this will impair the value of memberships in the Board and will take the property of the members without due process of law.

"The Board of Trade conducts a business which is affected with a public interest and is, therefore, subject to reasonable regulation in the public interest. The Supreme Court of Illinois has so decided in respect to its publication of market quotations. *New York & Chicago Grain Exchange v. Chicago Board of Trade*, 127 Ill. 153. In view of the actual interstate dealings in cash sales of grain on the exchange, and the effect of the conduct of the sales of futures upon interstate commerce, we find no difficulty under *Munn v. Illinois*, 94 U. S. 113, 133, and *Stafford v. Wallace*, supra, in concluding that the Chicago Board of Trade is engaged in a business affected with a public national interest and is subject to national regulation as such. Congress may, therefore, reasonably limit the rules governing its conduct with a view to preventing abuses and securing freedom from undue discrimination in its operations. The incidental effect which such reasonable rules may have, if any, in lowering the value of memberships does not constitute a taking, but is only a reasonable regulation in the exercise of the police power of the National Government. Congress evidently deems it helpful in the preservation of the vital function which such a board of trade exercises in interstate commerce in grain that producers and shippers should be given an opportunity to take part in the transactions

in this world market through a chosen representative. Nor do we see why the requirement that the relation between them and this representative, looking to economy of participation on their part by a return of patronage dividends, should not be permissible because facilitating closer participation by the great body of producers in transactions of the Board which are of vital importance to them. It would seem to make for more careful supervision of those transactions in the national public interest in the free flow of interstate commerce. Under the present rules of the Board, corporations are permitted to enjoy the benefit of membership of two of their executive officers who are bona fide stockholders, and all their stockholders are thus given a chance to enjoy the commissions earned and the benefits to the corporation of other membership privileges to the extent of their stock ownership....."

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BETTER MARKET FOR EASTERN EGGS THROUGH COOPERATION

The New Jersey "Board of Agriculture News" for March, announces that Atlantic Coast eggs during the past six months have brought a premium of $6\frac{2}{3}$ cents a dozen in New York City over eggs shipped from the far West, due largely to the activities of the Atlantic Coast Poultry Producers' Association, New York City, formerly the New Jersey Poultry Producers' Association, with headquarters at Trenton. For ten years Pacific Coast eggs have brought the highest prices on the New York market and have set the price for New Jersey eggs, but within the past 18 months the New York City trade has been convinced of the superior quality of day-old New Jersey White Extras.

The Atlantic Coast Poultry Producers' Association is made up of several hundred poultrymen who are owners of nearly 250,000 laying hens. It is a cooperative, non-profit association managed by a board of directors chosen each year by the membership. Each member pays a membership fee of \$10, which is used largely to meet organization expenses; in addition he pays 10¢ for each bird owned at the time of making application. This assures to the association an equitable working fund on which 6% interest is paid. A charge of 2¢ a dozen is made by the association for its services. The average cost to the members for maintaining the association and selling their eggs was 3¢ a dozen for the last six months of 1922. It is estimated that when the association controls the product of 500,000 hens it will be possible to reduce the service charge to one cent per dozen.

An office and sales room was opened by the association in June, 1923, in the wholesale produce district of New York City.

Members are encouraged by the management to grade their own eggs as carefully as possible. This procedure reduces overhead expenses and allows the packing department to function largely for the inspection of eggs on arrival, with little attention to repacking or regrading.

COOPERATION ENABLES DANISH FARMERS TO IMPROVE THEIR LIVE STOCK

The improvement in the breed of dairy cows on the average Danish farm, which has been attained through the cooperative breeding and cow-testing associations, has enabled Denmark to double her milk production per cow in the last 40 years. The growing interest in improved cattle breeding and milk production since the war is indicated by the number of associations and their membership. This is shown by official statistics recently published:

Year :	Cow-Testing : Associations	:	Members in : Associations	:	Cows in : Associations
1914 :	633	:	14,400	:	222,600
1921 :	752	:	18,659	:	261,510
1922 :	821	:	21,420	:	295,290

The 295,290 cows in the cow-testing associations in 1922 represented about 23% of the total number of milk cows in the country. The organized educational movement for farm efficiency and better quality of dairy husbandry, which reaches the Danish farmer so effectively through the network of agricultural organizations, is largely responsible for the increase since the war.

In 1922, in addition to the cow-testing associations, there were 1,274 cooperative breeding associations (bull associations) in Denmark. The work of the bull associations is closely interwoven with that of the cow-testing associations. At the agricultural livestock shows no prizes may be granted to bulls unless reliable information is given of the milk yield of their dams and fat content of the milk. The cooperative bull association may receive a small grant from the State provided it complies with certain requirements. One of the requirements is that a certain percentage of approved cows owned by members of a breeding association must also be entered in a cow-testing association. The amount of State aid any breeding association may receive increases proportionately with the number of its cows in cow-testing associations.

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GEORGIA PEANUT GROWERS ORGANIZING

A campaign is under way in Georgia to organize a cooperative marketing association of the peanut growers of the State. The effort is stimulated by the fact that the Georgia growers received an average price of \$85 per ton for their 1922 crop, while the Virginia growers, through their cooperative marketing association, averaged about \$140 per ton.

RETURNS TO MEMBERS INFLUENCED BY VOLUME OF BUSINESS

A report showing the volume of business and prices received by 98 cooperative creameries in Wisconsin during February, 1923, has been issued by the Wisconsin Department of Markets. The creameries are arranged in 16 groups in accordance with the price paid patrons for butter fat. This price ranged from 60¢ per pound for the highest group to 38¢ per pound for the lowest group, comprising only one creamery. Although the creameries in the group which ranks highest in returns do not average the largest in volume of business for the month, they rank third in this respect. The creameries in the group handling the largest average volume of business for the month rank second in returns to patrons. Creameries returning less than the average price to their patrons were below the average in volume of business in all cases.

The following table gives the number of creameries in each group, the average price paid for butter fat, the average price received for butter, the average overrun, and the average number of pounds of butter fat taken in during the month:

Groups:	Number of	Av. Paid for:	Av. Price	Average	Butter Fat
	: Creameries:	Butter Fat	: for Butter:	Overrun :	Rec'd (Av.)
	:	(Cents)	(Cents)	(%)	(Lbs.)
A :	5	60	50.0	24.5	35,057
B :	2	59	49.3	21.7	44,871
C :	13	58	49.4	23.9	36,217
D :	11	57	49.1	23.6	24,399
E :	18	56	48.9	23.2	21,561
F :	11	55	48.4	23.2	32,305
G :	12	54	48.4	23.1	20,447
H :	7	53	48.4	21.8	11,977
I :	4	52	49.0	20.0	6,266
J :	1	51	48.3	22.3	1,968
K :	5	50	46.6	21.5	9,224
L :	3	49	48.6	23.9	4,643
M :	3	48	46.9	20.4	4,559
N :	1	47	47.6	21.4	4,377
O :	1	45	47.5	16.2	7,554
P :	1	38	46.0	20.7	1,566
Average	:	54.7	48.65	22.8	22,359

(From the Market News Letter, Wisconsin Department of Markets, March 31, 1923).

The price received for butter does not bear the same relation to the size of the enterprise as do the returns to patrons. The group of creameries doing the largest amount of business received only a little more than the average price for their butter, although their returns to patrons were 8% above the average. The smallest creamery received prices for butter only 5% below the average, but its returns to patrons were 31% under the average of the 98 creameries.

In the following table the average price paid to patrons for butter fat by all creameries (54.7¢ per lb.), the average price received for butter (48.65¢ per lb.) and the average amount of butter fat received during the month (22,359 lbs.) are represented by 100. The volume of business and the average prices received and paid by the 16 groups are shown in relation to the average of all creameries reporting.

Groups: Number of		Price Paid	Price Rec'd	Pounds Butter Fat
: Creameries		for Butter Fat:	for Butter	: Received
:		(54.7¢ = 100)	(48.65¢ = 100)	(22,359 = 100)
A	5	110	103	157
B	2	108	101	201
C	13	106	102	162
D	11	104	101	109
E	18	102	101	96
F	11	101	99	144
G	12	99	99	91
H	7	98	99	53
I	4	95	101	28
J	1	93	99	9
K	5	91	95	41
L	3	90	100	21
M	3	88	96	20
N	1	86	98	20
Q	1	82	98	34
P	1	69	95	7

Although other factors than volume of business, many of them local and seasonal in their operation, influence the returns received by patrons, the table illustrates the importance of a sufficient volume of business to ensure economical operation. Since the larger creameries did not receive prices for their butter very much higher than those received by the smaller factories, the differences in returns to patrons must be due primarily to the higher operating expenses of the smaller units. The table indicates, also, that the most efficient units received from 50% to 100% more butter fat than the average creamery.

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AUDITING SERVICE FOR COOPERATIVES PROVIDED IN MISSOURI

Provision has been made in Missouri for auditing service at reasonable cost for farmers' cooperatives, farm bureaus, and other organizations, according to an official announcement of the Missouri Farm Bureau Federation. An increased demand for such service led to an agreement between the farm bureau federation and the American Cooperative Auditing Association, whereby the auditor for the American Association will also work for the farm bureau and under the direction of the State Federation.

TEXAS HONEY PRODUCERS CONCLUDE SIXTH SEASON

The Texas Honey Producers' Association is an organization of Texas beekeepers with headquarters at San Antonio. According to a statement by the manager, it was organized in 1916 with 79 members and \$10,000 capital stock. In 1920 the capital stock was increased to \$65,000. Less than \$20,000 worth of honey was sold under the association's "Lone Star" brand during the first year of operation, but within three years sales had grown to over \$250,000.

Any beekeeper may become a member by purchasing five or more shares of stock of the association, which has a par value of \$10 a share, and on which a dividend of 8% is paid. The association makes no contracts with its members which obligate them to sell their honey or purchase their supplies through the association. A member is urged to develop a local market for his honey, if he is able to do so, but he is bound on his honor not to sell at lower prices than the association is quoting.

Credit is given to each member for the purchase of cans and other supplies up to 50% of the amount which the member has invested in the capital stock of the association. When the association was first organized all earnings on purchases were refunded to members on the basis of stock ownership. A dividend of 33% was paid in 1919. In January, 1921, it was decided to make refunds to members on purchases on the basis of business done with the association in the form of a flat discount of 5% on all supplies. For the fiscal year of 1921, \$2,976.42 was returned to purchasers, and \$1,763.72 during the first five months of 1922.

A committee of nine members of the association, elected annually, meets in San Antonio in April and, after a consideration of crop reports and other data, names a price which the producer should receive for his honey. To this is added the average freight paid the year before, one cent per pound to cover the cost of labels and the "money-back guarantee" of the association, and 12 1/2% discount for the wholesale grocer. The total is the uniform price to retailers in all markets.

The association insists upon a uniform pack. Each member is responsible for every claim against his honey. The association's guarantee is very broad. The manager states that "a person may return a can of 'Lone Star Honey' to his grocer and get his money back for no reason at all."

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WELFARE DEPARTMENT ORGANIZED BY BURLEY TOBACCO ASSOCIATION

The Burley Tobacco Growers' Cooperative Association, Lexington, Ky., announces the organization of a welfare department for women and children under the direction of an experienced Red Cross worker. The work will include instruction in matters of health, sanitation, diet and the care of children, and should prove of great value to the families of members of the association. All counties in the Burley district will be covered.

RUSSIAN GOVERNMENT AIDS AGRICULTURAL COOPERATION

According to information contained in the Moscow Economic Life, March 1, 1923, the Central Executive Committee has approved the project of its commission for the allocation of a credit fund of 20,000,000 gold roubles among the various sections of Russia. This credit is intended to supply financial aid to agricultural credit and marketing associations, chiefly for the purpose of improving the equipment of the farms, to provide seeds, and to supply the farms with live stock. Not a single part of Russia was overlooked in the matter of credit benefits, although preference was given to those sections which are the source of exportable commodities and which possess the largest number of cooperative agricultural organizations. Ukraine came first with an allotment amounting to 3,800,000 gold roubles; Siberia next with 2,000,000 roubles; then Southwestern Russia with 1,750,000 roubles; Turkestan, 1,100,000 roubles; the Middle Volga region, 1,000,000 roubles; Lower Volga, 800,000 roubles; central agricultural region, 1,100,000 roubles, etc. Many separate provinces which stood in particular need of credit for the rehabilitation of their farms, such as Ufa, Kazan, Viatka, Orenburg, Penza, and many others, were singled out for agricultural aid independent of the region in which they were located. It is reported that this credit will prove a great aid to agricultural cooperation in Russia, which has been languishing by reason of its financial poverty.

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SANFORD TRUCK GROWERS SHIP 750 CARS IN 1922

Approximately 750 cars of truck were shipped during the 1922 season by the Sanford Truck Growers, Inc., Sanford, Fla., and it is expected that a larger number will be shipped in 1923. The association is chiefly a marketing enterprise and handles lettuce, celery and peppers. The 1922 shipments consisted of 100 cars of lettuce, 450 cars of celery, and 200 cars of peppers. Shipments are not pooled. Each grower receives what his product sells for less the selling expenses. The basis of charges for marketing celery is as follows: Packages selling for less than \$.60, five cents each; packages selling from \$.60 to \$2.50, ten cents each; packages selling for over \$2.50, fifteen cents each.

Standardization of products is one of the principal functions of the organization. A little collective buying of seeds and crates has been done. The association does not take crop liens and has ceased to advance money to growers, as it is possible for all worthy growers to secure all necessary credit at the Sanford banks.

The association was formed in July, 1916, and has 125 members, practically all of whom are producers. The paid-in capital stock amounts to about \$10,000. No member is entitled to hold more than \$500 of the capital stock, and each member has but one vote regardless of the amount of stock held.

POTATO EXCHANGE AT HASTINGS, FLORIDA, BEGINS WORK

Organized in the fall of 1922, the Hastings Potato Growers' Association, Hastings, Fla., began functioning early in the current year by the purchase of supplies for its members. These purchases included the following: Seed, 14,000 bags; fertilizer, 3,000 tons; spraying material, 25 tons; barrels, 100,000; sacks, 16,000.

The association has 62 members who have signed agreements covering the crops of 1923, 1924, and 1925. It is estimated that the shipments for the present year will be over 600 carloads, or about one-third of the total potato shipments from the Hastings section.

The association charge for marketing is 30¢ a barrel or sack. Of this amount 5¢ goes into a reserve fund which is used to carry from one season to the next members who have had crop failures. A small amount from all cooperative purchases also goes into the reserve fund. Money to buy the seed, fertilizer, spraying material, containers and other supplies needed by the members, is borrowed by the association which keeps a lien on the crops and reimburses itself when the potatoes are sold.

As the reserve fund grows in size it is expected that the function of furnishing credit will become fully as important as that of furnishing marketing service. There is the expectation that in the course of a few years the association may found and operate a farmers' cooperative bank. During the current season the association is using the distributing machinery of the Florida Citrus Exchange, Tampa, Fla.

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CANE GROWERS PLEASED WITH FIRST SEASON'S RECORD

Three thousand cane growers, located in 16 counties of Georgia, marketed their cane syrup last season through their new organization, the Cane Growers' Cooperative Association, Cairo, Ga. More than 27,000 barrels of syrup were handled by the association, nearly a million gallons, at an expense of not more than 5%, a part of which went to help pay for the plant of the subsidiary company, the Cane Growers' Canning and Warehouse Company. A large warehouse and packing plant has been erected, where the syrup is processed and packed in 1 1/2, 2 1/2, 5 and 10 lb. cans, marked "Southern Plantation Brand, Pure Georgia Cane Syrup." An average of 40¢ a gallon was received for A-1 syrup, and No. 2 syrup brought a better price than was received the previous season for A-1. The growers have received approximately \$400,000 and a large increase in membership is expected for the coming season. It is stated that an acre of land should easily yield 12 barrels of syrup, and this amount of carefully made syrup sold through the association this year netted the grower around \$150. Most of the product was marketed within the State but as the organization expands it is planned to advertise and expand the market. The association was incorporated May 14, 1922. (The Sowega Standard, April 5, 1923).

MINNESOTA COOPERATIVE CREAMERIES MAKE EGG-MARKETING SURVEY

The egg-marketing work carried on by Minnesota creameries is the subject of a report made recently by a representative of the Minnesota Cooperative Creameries Association, St. Paul, Minn., as the result of a survey made in February. Eleven creameries were visited and reports secured from three more. Two of the number handled very few eggs and one had no available figures. The remaining eleven were located at the following points: Pelican Rapids, Glencoe, Barnesville, Rothsay, Milaca, Lake Park, Hector, Litchfield, Kingston, Welcome and Rush City. These eleven creameries, during the year 1922, handled a total of 751,281 dozen eggs, from which the returns to patrons amounted to \$160,343.84, approximately 22-1/2¢ per dozen. The 751,281 dozen would have made more than 64 carloads if shipped in straight cars. The low average price is accounted for by the fact that the period of heavy production is the period of low prices.

Most of these creameries only began to ship eggs in 1922. Glencoe and Pelican Rapids, however, have been handling eggs for several years and are the heaviest shippers. From both of these creameries eggs were shipped in carlots during the rush season. Of the thirteen creameries reporting, ten paid cash as the eggs were delivered, while three pooled the eggs and paid when returns were received. Eight put their eggs under refrigeration, while five had no equipment for refrigeration. None of the creameries graded the eggs when received, merely rejecting soiled and cracked eggs, but several graded before selling.

Eggs were shipped with butter in carload lots by most of the creameries during the summer season and until cold weather. During the winter most of the eggs were shipped by express to Minneapolis and St. Paul.

The cost of handling varied at the different plants but it was generally agreed that one-half cent per dozen would pay the expense of handling, candling and repacking, provided there was a supply of eggs to keep one person busy. At the Pelican Rapids creamery it was estimated that 90% of the members brought in eggs, and at other creameries the estimated percentage of members delivering eggs varied from 10% to 66%. A number of the creameries also handle poultry.

The formation of a strong organization is believed necessary that prices may be secured for eggs of good quality and a sufficient volume of business handled to secure recognition. A plan for systematic handling of eggs through the creameries is being developed.

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SEVEN CARLOADS OF CHEESE EXPORTED TO ENGLAND

The Wisconsin Cheese Producers' Association, Plymouth, Wis., reports that during the first week in March seven carloads of cheese were shipped for export to England. Some of the sales were made through Chicago firms, others through New York and Montreal.